

AUG 6 2006

BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

NEBRASKA DEPARTMENT
OF INSURANCE

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE,

PETITIONER,

VS.

VESTA INSURANCE CORPORATION,

RESPONDENT.

ORDER REVOKING CERTIFICATE OF AUTHORITY

CAUSE NO. C- 1591

Vesta Insurance Corporation is a Texas domestic insurance company holding a Certificate of Authority to transact the business of insurance in Nebraska.

Neb.Rev.Stat. § 44-134 allows the Department of Insurance to suspend or revoke a certificate of authority of a foreign or alien company to do business in this state whenever any of the grounds mentioned in Neb.Rev.Stat. §§ 44-4809, 44-4812, or 44-4817 exist as to a foreign or alien company.

On June 28, 2006, the District Court of Travis County, Texas issued an Agreed Order of Rehabilitation and Permanent Injunction against Vesta Insurance Corporation. As a result, the Director of Insurance of the State of Nebraska has reasonable cause to believe that Vesta Insurance Corporation is in such condition that the further transaction of its business would be hazardous to the public or to the holders of its policies or certificates of insurance.

The Director of Insurance for the State of Nebraska is authorized to revoke the Certificate of Authority of Vesta Insurance Corporation, a foreign insurer pursuant to Neb.Rev.Stat. §§ 44-134 and 44-4817 on the basis of such finding.

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to Neb.Rev.Stat. §§44-134 and 44-4817, that the Nebraska Certificate of Authority held by Vesta Insurance Corporation is hereby revoked.

IT IS FURTHER ORDERED that Vesta Insurance Corporation shall have ten days from the date this Order is received to seek administrative review of this Order by making a written request to the Director of Insurance for the State of Nebraska for a hearing on this matter.

Dated this sixteenth day of August 2006.

DEPARTMENT OF INSURANCE
STATE OF NEBRASKA



L. Tim Wagner
Director of Insurance

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing Order Revoking Certificate of Authority was served upon the James Kennedy, Attorney for the Liquidator of Vesta Insurance Corporation at P.O. Box 43360, Birmingham, Alabama 35243, by certified mail, return-receipt requested, upon the Commissioner of Insurance for the State of Texas, and L. Dean Fletcher, Nebraska Property and Liability Insurance Guaranty Association, 1610 S. 70th, Ste. 100, Lincoln, NE 68505, by U.S. Mail, first class, this 17 day of August 2006.

